

Article - Environment

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§9–807.

(a) The provisions of this subtitle and any resolution that authorizes the issuance of bonds under this subtitle are a contract between the municipality and the bondholder.

(b) The authorizing resolution may contain covenants as to:

(1) The disposition of the proceeds of sale of the bonds;

(2) The disposition of the revenue of the sewerage facility for which the bonds are issued, including:

(i) The pledging to the punctual payment of the bonds issued under this subtitle and of the interest on those bonds as they become due an amount sufficient to pay the bonds and interest on an equal or priority basis from all or part of the revenue of all or part of the existing or planned sewerage facility; and

(ii) The creation and maintenance of reasonable reserves, from all or part of the revenue, for the payment of the bonds issued under this subtitle and of the interest on those bonds;

(3) The issuance of additional bonds payable from the revenue of the sewerage facility;

(4) The transfer from the general funds of the municipality to the account of the sewerage facility of an amount equal to the cost of providing the municipality or any of its departments, boards, or agencies with the services, facilities, and commodities of the sewerage facility;

(5) The insurance to be carried on the sewerage facility and the disposition of insurance money;

(6) The operation and maintenance of the sewerage facility;

(7) The books of account of the sewerage facility and the inspection and audit of the books; and

(8) The terms and conditions on which the bondholders or any trustee for the bondholders may petition the circuit court for the appointment of a receiver for the sewerage facility.

(c) (1) On petition of the bondholders or a trustee for the bondholders, the circuit court may appoint for a sewerage facility a receiver who may:

- (i) Enter and take possession of the sewerage facility;
- (ii) Operate and maintain the sewerage facility;
- (iii) Set sewerage facility rates, fees, or charges; and
- (iv) Collect, receive, and apply all revenue of the sewerage facility.

(2) By mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction, any bondholder may enforce:

- (i) The duties under this subtitle of the municipality and its governing body and officers; and
- (ii) The resolutions adopted under this subtitle.

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